

Capital Renewal, Replacement, and Maintenance Program

What is the Capital Renewal, Replacement, and Maintenance Program?

This program recognizes the shared responsibility of the state and the institutions to maintain, upgrade, or replace building systems as they reach the end of their useful life. Maintenance of existing facilities has been the highest priority of the Capital Planning Advisory Board for the last five biennia, and it has been the highest priority of the Council on Postsecondary Education since 1992. Providing a modern instructional environment for students is a critical need of postsecondary education institutions.

How does the program work?

As part of the budget process, institutions provide the Council with a list of projects that are eligible for funding. Only Education and General (E&G) facilities qualify to receive funds from the bond pool. Buildings that are considered "auxiliary" (i.e., athletic facilities, student housing, dining halls) are not eligible for the funding. Each institution is required to match the funds from the bond pool; matches range from \$0.60 to \$1.00 for each \$1.00 of bond funds received.

What types of projects does the Capital Renewal, Replacement, and Maintenance Program fund?

Over the years, this program has helped fund important infrastructure improvements such as the installation of fire suppression equipment, new roofing, heating and air conditioning system upgrades, and new electrical systems which help extend the life of these facilities and protect the capital investments of the state.

What is the Council's request?

The Council seeks \$15 million in state bond funds to fund the capital renewal, replacement, and maintenance pool (matched by \$10.3 million of institutional money) to address the approximately \$215.6 million of capital renewal and deferred maintenance projects identified by the institutions.



Photo source: NKU

Why is the funding needed?

The funds are needed to maintain and replace systems in buildings and protect the state's investment. This program recognizes the shared responsibility of the state and the institutions to maintain, upgrade, or replace building systems as they reach the end of their useful life and addresses development and maintenance of the physical infrastructure of the campuses. Amounts ranging from \$10-\$30 million have traditionally been appropriated by the General Assembly for this program. However, the pool was not funded in the last two budget cycles which has resulted in an increased backlog of deferred maintenance facility needs on the postsecondary campuses.

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